

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2221 - SB 3092

February 21, 2012

**SUMMARY OF BILL:** Creates a Class D felony offense for a person 18 years of age or older who owns, manages, or otherwise operates a business or retail establishment to knowingly allow a person 17 years of age or younger to engage in sexual activity or to engage in patently offensive simulated sexual activity on the property of such business or retail establishment. Violation is a Class C felony if the minor is less than 13 years of age.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$21,700/Incarceration\***

Assumptions:

- Estimate assumes one additional Class D and Class C felony every five years as a result of this bill.
- According to the Department of Correction, the average operating cost per offender per day for calendar year 2012 is \$61.36. The average post-conviction time served for a Class D felony is 1.86 years (679.37 days) at a cost of \$41,686.14 (\$61.36 x 679.37 days), and 2.98 years (1,088.45 days) at a cost of \$66,787.29 (\$61.36 x 1,088.45 days) for a Class C felony.
- The annualized cost per offender for a Class D is \$8,337.23 (0.20 annual number of convictions x \$41,686.14) and for a Class C, the annualized cost is \$13,357.46 (0.20 annual number of convictions x \$66,787.29).
- The total additional operating cost is \$21,694.69 (\$8,337.23 + \$13,357.46).

\*Tennessee Code Annotated, Section 9-4-210, requires that: *For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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/lsc